

Agency 103

**Joint Regulations—State Bank Commissioner
and Savings and Loan Commissioner**

Articles

103-1. SECURITY FOR DEPOSIT OF PUBLIC FUNDS.

**Article 1.—SECURITY FOR DEPOSIT
OF PUBLIC FUNDS**

103-1-1. Security for deposit of public funds. The market value of negotiable promissory notes secured by first lien mortgages on real estate and pledged and assigned by a bank or savings and loan association as security for deposits of municipal or quasi-municipal corporations shall be determined in the following manner:

- (1) Determine the average interest rate for all such notes pledged by the institution;
- (2) Obtain the current GNMA bid rate for comparable obligations; and
- (3) Multiply the total of real estate loans pledged by the GNMA bid quotation to ascertain the current value of the pledged real estate loans. (Authorized by and implementing K.S.A. 9-1402; effective, T-83-18, July 1, 1982; effective May 1, 1983.)